

## ADMINISTRATIVE AGREEMENT

This Administrative Agreement ("Agreement") dated this 1<sup>st</sup> day of October, 2014, is made between DRC Emergency Services LLC ("DRC ES" or "the Company") and the United States Department of the Air Force ("Air Force"). As used herein, "DRC ES" means DRC ES and all of its operating sectors, groups, divisions, units, and wholly-owned subsidiaries, including those acquired or established by DRC ES during the term of this Agreement. A list of the entities covered by this Agreement is attached as **Exhibit A**.

### PREAMBLE

1. DRC ES is a limited liability company organized under the laws of Alabama with its principal executive offices located in Mobile, Alabama.
2. In the wake of a major tornado that struck the city of Joplin, Missouri, the United States Army Corps of Engineers ("USACE") sought contractors under several solicitations to assist with disaster relief. After USACE awarded an initial debris removal contract to another contractor, USACE issued three follow-on solicitations for debris removal services in Joplin on June 10, 2011 (the "Joplin Solicitations"). The Joplin Solicitations, as well as the resulting contracts (the "Joplin Contracts"), incorporated by reference Federal Acquisition Regulation ("FAR") 52.226-5, Restrictions on Subcontracting Outside Disaster or Emergency Area, the relevant portion of which states that "[a]t least 50 percent of the cost of contract performance incurred for personnel shall be expended for employees of the Contractor or employees of other businesses residing or primarily doing business in the clause at FAR 52.226-4." The Joplin Contracts did not incorporate FAR 52.226-4, although major disaster declarations and emergency declarations identifying major disaster or emergency areas are published in the Federal Register. On July 10, 2011, USACE issued a contract modification stating, "[t]he Contractor shall employ as many local residents and subcontractors as possible as part of this contract." In addition, one of the three Joplin Solicitations was set-aside for Service Disabled Veteran-Owned Small Businesses (SDVOSBs). That Solicitation incorporated FAR 52.219-27, Notice of Service-Disabled Veteran-Owned Small Business Set-Aside, the relevant portion of which states that "at least 50 percent of the cost of personnel for contract performance will be spent for employees of [the contractor] or employees of other service-disabled veteran-owned small business concerns."
3. Prior to the time of the Joplin Solicitations, DRC ES contacted representatives of several Joplin-area businesses to join DRC ES as teaming partners to bid on the anticipated debris removal contracts. On or about June 15, 2011, DRC ES entered into written teaming agreements with three Joplin-area businesses (hereinafter, the "Joplin Primes"), all of which had principal places of business located within the Joplin area and one of which was qualified as a SDVOSB. The agreements stated: "Subcontractor [DRC ES] shall perform all administrative duties related to the work and attempt to provide all financing for the performance of the work." The teaming agreement with the SDVOSB also stated that "net profits from the job shall be split 82% for Subcontractor and 18% for the Contractor." The teaming agreement with the other two Primes stated the "net profits from the job shall be split 80% for the Subcontractor and 20% for the Contractor." DRC ES drafted bid proposals to be submitted by the Joplin Primes in response to the USACE solicitations, and the Joplin Primes submitted those proposals between

June 15 and June 17, 2011. The Joplin Contracts were awarded by USACE on June 24, 2011. One of the non-SDVOSB Joplin Primes later withdrew from its contract prior to any performance.

4. The Air Force alleges that, as contemplated in the agreements between DRC ES and each of the Joplin Primes, day-to-day work under the Joplin Contracts was managed and performed almost entirely by DRC ES and/or its lower-tier subcontractors, with a relatively small portion of the work performed by the Joplin Primes. The Air Force further alleges that the Defense Contract Audit Agency (DCAA) conducted an analysis of the information subsequently provided to the government by DRC ES and the Joplin Primes and found that only a small portion of the total costs incurred under the Joplin Contracts were costs for personnel of employees of businesses in the Joplin area. Additionally, the Air Force further alleges that in relation to the SDVOSB set-aside requirement of FAR 52.219-27, DCAA found that only a small portion of the costs under the SDVOSB set-aside contract were incurred for personnel employed by the SDVOSB-qualified Joplin Prime.

5. On August 29, 2014, the Air Force suspended DRC ES, as well as four then-current and former employees and consultants and affiliated entities, from Federal Government contracting and from directly or indirectly receiving the benefits of federal assistance programs, pursuant to the authority and the procedures of the FAR Subpart 9.4. None of the suspended individuals are currently employed by or otherwise affiliated with DRC ES.

6. At the request of DRC ES, representatives of the Company met with representatives of the Air Force on August 27, 2014. During that meeting, the DRC ES representatives stated that the Company had been acquired by new owners in November 2013 and outlined steps DRC had taken, and steps it intended to take, to promote its responsibility as a government contractor. Among other changes, the new owners replaced some of the existing senior management, established procedures to promote operational transparency, put in place a new board of directors, added new operational controls, hired Contractor Integrity Solutions, LLC (CIS) to review its ethics and compliance procedures and to make recommendations for improvement, and instituted new policies and procedures in August 2014 to promote an ethical culture and to promote a more robust compliance regime.

7. DRC ES made written submissions to the Air Force on September 9, 2014 and September 12, 2014, discussing further actions DRC ES had taken to improve its corporate culture, including adopting additional new ethics and compliance policies and retaining CIS to serve as an independent monitor to continue evaluating DRC ES' ethics and compliance programs.

8. DRC ES has expressed interest in taking the actions necessary to demonstrate that it may be trusted to deal fairly and honestly with the Government, and the Company has asserted that continuing DRC ES' exclusion under FAR Subpart 9.4 is not necessary if the terms and conditions set forth herein are duly and forthrightly implemented. To this end, DRC ES has agreed to take the actions specified herein to assure that it possesses the high degree of business honesty and integrity required of a government contractor.

9. The Air Force and DRC ES agree that FAR Subpart 9.4 provides a legally sufficient basis for DRC ES' suspension. This Agreement is intended to provide assurances to the Government that DRC ES can be presently responsible and, notwithstanding the bases for suspension, the Company can be trusted to deal fairly and honestly with the Government. Subject to execution of this agreement, the Air Force agrees, based upon the facts currently known, to terminate the suspension of DRC ES.

## ARTICLES

1. **SUSPENSION.** The suspension of DRC ES is terminated upon execution of this Agreement by the Air Force. The Air Force, at its sole discretion, shall retain the ability to institute administrative action, including suspension or debarment, for any reason consistent with FAR Subpart 9.4. The Air Force's ability to institute such administrative action is independent of any ability to take action under Article 5 of this Agreement.

2. **PERIOD OF AGREEMENT.** This Agreement shall be effective upon its execution by the Air Force. The parties intend that the terms and conditions of this Agreement shall continue in force and effect for, and the period of this Agreement shall be, no more than three years starting from the date of execution of this Agreement by the Air Force. After eighteen (18) months, the parties will evaluate the continuing need for this Agreement. At that time, or at any point thereafter prior to the expiration of the three-year period, the Air Force may determine that there is no continuing need for this Agreement, and if so, the Agreement may be terminated early by the Air Force.

3. **EMPLOYEES.** The terms "Employee" or "Employees" as used in this Agreement mean DRC ES' officers; permanent, temporary, and contract employees; full-time and part-time employees; and members of the board of managers having governing authority over DRC ES (the "DRC ES Board of Managers").

4. **MANAGEMENT.** The words "Management" or "Manager(s)" in this Agreement include all Company officers, members of the DRC ES Board of Managers, and any other persons that exercise a controlling influence in deciding substantive Company matters, as well as persons whom the Company considers as being in supervisory positions.

5. **BREACH OF AGREEMENT.** If at any point during the term of this Agreement, the Air Force determines, in its sole discretion, that DRC ES has breached a term or failed to meet any requirement of this Agreement, the Air Force may terminate this Agreement and suspend, or initiate proceedings to debar, DRC ES and its Managers, Employees, and other agents, as appropriate. The basis of this determination may include any conduct that constitutes a breach of this Agreement. For the purposes of this agreement, the admissions contained in this Agreement are considered by both DRC ES and the Air Force to be irrevocable and shall survive any termination of this Agreement. DRC ES may request reconsideration of the decision under the procedures of FAR Subpart 9.406-4(c).

6. **INDEPENDENT MONITOR.** As outlined in the September 5, 2014 compliance agreement provided to the Air Force, the DRC ES Board of Managers has retained CIS to serve as an independent Monitor to monitor the compliance of DRC ES with this Agreement.

a. DRC ES shall be responsible for and shall promptly and fully pay all reasonable costs, fees, retainers or other reimbursements and compensation customarily charged by and payable to such Monitor. If and to the extent the Monitor requires, at his or her reasonable discretion as communicated in writing, staff assistance and/or legal counsel, the Monitor shall be authorized and empowered to retain such assistance and/or legal counsel with reasonable advance notice to DRC ES. DRC ES shall be responsible for and shall pay all reasonable costs, fees, retainers or other reimbursements and compensation payable to or on account of such staff or legal counsel for the Monitor. DRC ES shall pay all such advance retainers, if any, required by the Monitor on account of his or her own customary fees or charges and that of his or staff or counsel. The Air Force may require that the Monitor be replaced with a new Monitor, during the term hereof, should the Air Force in its reasonable discretion conclude such replacement is necessary to accomplish the purposes of this Agreement.

b. The Monitor shall conduct its activities pursuant to the process set forth in the CIS/Monitor Bednar's DRC Emergency Services, LLC Work Plan (25 September 2014) (attached as **Exhibit B**). To the extent the Monitor perceives a need to deviate from or make changes to this process, in furtherance of the Monitor's effective oversight and review of DRC ES' activities as contemplated by this Agreement, the Monitor shall notify the Air Force of the deviation and the reasons for it.

c. The Monitor shall report to and be responsible to the Air Force, and shall be free to communicate with the Air Force without interference by DRC ES. The Air Force may communicate with the Monitor on a confidential basis and without disclosure to DRC ES. The purpose of the Monitor is to observe and review on an ongoing basis, and to report to the Air Force regarding, DRC ES' ongoing compliance in all respects with this Agreement; its compliance with applicable government contracting laws, rules and regulations (both with respect to existing contracts and also with respect to any future contracts); and whether DRC ES is seeking, entering into and performing government contracts responsibly and with integrity.

d. The Monitor shall provide quarterly reports to the Air Force on DRC ES' compliance with this Agreement, with all applicable government contracting laws, rules and regulations in connection with its seeking, obtaining and performing government contracts, and with respect to DRC ES' present responsibility to obtain and perform government contracts. The reports shall also include any findings and recommendations for improvement concerning the Company's processes and procedures. The first report will be delivered to the Air Force **on or before October 31, 2014**, with subsequent reports following each quarter thereafter through **October 31, 2015**, at which point the Air Force will determine whether less frequent reports are sufficient to accomplish the objectives of this agreement. To the extent permitted by law, including the Freedom of Information Act, said reports shall be deemed confidential to DRC ES, CIS, and the Air Force.

e. The Monitor's reports are for the Air Force's assistance and monitoring purposes and shall be considered by the Air Force as part of the totality of the information available to it. Proof of DRC ES' ongoing compliance or non-compliance with this Agreement and all its obligations under law shall be determined based upon all relevant information, documents, communications, testimony and other evidence of such compliance or lack thereof. Neither the delivery nor review by the Air Force of any Monitor report shall waive, limit, or in

any way diminish the Air Force's right to obtain, review, analyze or evaluate any underlying, actual evidence of DRC ES' compliance or non-compliance with this Agreement or applicable law.

f. The Monitor shall have unfettered, immediate and, if requested, real-time access to all Company documents, information, and personnel, including without limitation all files, records, communications, IT and communications systems, email systems, electronic documents, and databases. The Monitor shall be empowered to provide no prior notice or only minimal prior notice to DRC ES if the Monitor determines, in his or her reasonable discretion, that the needs or exigencies of his or her monitoring require immediate access or communication. The Monitor shall, during the term hereof, be permitted to communicate with any Manager, Employee, shareholder, or member of the DRC ES Board of Managers pertaining to any matter pertaining to the present responsibility of DRC ES. DRC ES commits to cooperate in good faith with any such communications, and to provide, or to have provided, copies of any documents relating to any such communications within a reasonably prompt time. The Monitor shall retain all DRC ES information and documents in the strictest confidence and shall disclose all such information solely to the Air Force or other governmental investigatory authorities, and shall not disclose such information or documents to third parties outside DRC ES or use such information for any purpose not associated with his or her monitoring activities provided for herein.

g. If requested by the Monitor, DRC ES shall provide to the Monitor, at DRC ES' headquarters, on-site management-type office space, furniture, telephone, network access, equipment, and supplies, along with adequate enclosed conference room space or access for the Monitor such that he or she can undertake confidential conferences with DRC ES Employees.

h. Failure to cooperate fully and promptly with the Monitor's inquiries, document and information requests and other monitoring activities, may be considered a breach of this Agreement.

i. DRC ES hereby agrees that the Monitor shall be released from, held harmless from, and indemnified against any claims, demands, liabilities, obligations, damages, suits, or costs of any sort whatsoever, whether to DRC ES or to any third party, arising out of or relating in any way to the Monitor's agreement, presence at DRC ES or performance of his or her duties and obligations as set forth herein.

**7. VALUES-BASED ETHICS AND COMPLIANCE PROGRAM.** DRC ES is implementing and agrees to maintain a revised values-based ethics and compliance program ("the Program"). The purposes of the Program are to ensure that DRC ES and each of its Employees acts with the business honesty and integrity required of a government contractor, and that the Company operates in compliance with all applicable laws, regulations, Company policies, and terms of any government contract. DRC ES represents that the Program includes, and will include for the length of the Agreement, the following components, each of which has been implemented or is in the process of being implemented as of the effective date of this Agreement.

a. **High-Level Program Management.** DRC ES has appointed a Chief Ethics & Compliance Officer ("CECO"). The CECO is responsible for directing DRC ES' ethics, business conduct, and compliance programs, including in the Company's relationships with customers, contractors, suppliers, and Employees. The CECO reports directly to DRC ES' President. Should the CECO leave DRC ES or be terminated, the Company will promptly find a qualified replacement and promptly notify the Air Force of the change. DRC ES, in consultation with CIS, will prepare written role and performance objectives for the CECO and submit those objectives to the Air Force by **October 13, 2014**.

b. **Information and Education Program.** As part of the Program, the Company shall institute, maintain, and improve, an information and education effort designed to assure that all Employees are aware of laws, regulations, and standards of business conduct they are expected to follow, their expected ethical conduct, and the consequences both to the Employee and the Company that shall ensue from any violation. Training consists of at least one hour of annual, scenario-based ethics training to all Employees taught by their Managers, compliance training as needed, plus at least one hour of initial ethics and compliance training for every new Employee.

c. **Code of Ethics & Business Conduct.** DRC ES has adopted and shall maintain a written Code of Conduct ("the Code") and Employee Handbook. A copy of the Code is attached as **Exhibit C**. The Code has been or shall be circulated to each Employee, and each Employee has acknowledged his or her receipt of the Code and understanding of its requirements or will so acknowledge within thirty (30) days of this Agreement.

d. **Annual Certification.** DRC ES will institute by **October 13, 2014** a written policy that each employee of DRC ES will be subject to an annual certification requirement to attest that he or she (a) has attended a training session concerning the content and application of the Company's business ethics program; (b) understands that strict adherence to the law, the Code, and the principles of the business ethics program is a condition of employment and will comply with the Code and the Program; and (c) understands that DRC ES will take disciplinary action, including discharge, for any violation of law, the Code, the principles of the business ethics program, or basic tenets of business honesty and integrity, or failure to take reasonable steps to prevent or detect improper conduct. These certificates shall be maintained and available for review by CIS and the Air Force during the term of the agreement.

e. **New Employees.** The Program will require that within 60 calendar days of starting employment with DRC ES, each new employee will be required to attend a training session administered by DRC ES' CECO covering the topics and requiring the certifications described in subparagraph c above.

f. **Training on Small Business and Disaster Relief Programs and Regulations.** DRC ES, in consultation with outside counsel, has developed and submitted to CIS for approval training materials addressing statutes and regulations regarding small business procurements under the FAR and Title 13 of the Code of Federal Regulations, as well as disaster relief contracting. Outside counsel conducted or will within thirty (30) days of this Agreement, conduct the initial training on small business and disaster relief programs for DRC ES senior management and procurement professionals. The materials (and attendance records) of this

training will be promptly provided to the Air Force. Going forward, training on these programs and requirements will be included as part of the annual ethics training program, under the supervision of the CECO.

g. **Languages.** All written materials and training related to the Program and the Code will be provided in English and in any other language necessary to ensure that each Employee understands his or her ethics and compliance obligations.

h. **Reporting Resources.** DRC ES will post and maintain in prominent places at DRC ES facilities a notice giving the telephone numbers of DRC ES' CECO, and inviting confidential calls to report suspected instances of improper conduct to the CECO, a third-party hotline, and/or CIS as appropriate.

i. **Management Responsibility.** DRC ES' Management has the primary responsibility for implementing and updating the Program and the Code. DRC ES shall notify the Air Force within one week if any of the principal members of the Company's Management leaves his or her current position, and will provide the Air Force with the name of the successor upon appointment. A list of the principal members of the Company's Management as of the date of execution of this Agreement is attached as **Exhibit D**.

j. **Evaluation of Managers and Supervisors.** DRC ES has instituted, or will institute within thirty (30) days of this Agreement, a written policy stating that promotion of, and adherence to, the Company's ethics and compliance program is an element of each manager and supervisor's performance standards and that each manager and supervisor will be evaluated annually on their promotion of, and adherence to, the Company's ethics and compliance program.

## 8. COMPANY REPORTING REQUIREMENTS.

a. **President's Quarterly Report.** On a quarterly basis (i.e. in three months installments beginning thirty (30) days after receipt of the Monitor's first quarterly report), the President shall submit a written report to the Air Force describing the measures taken by the Company during the reporting period to ensure compliance with this Agreement, with a copy provided to the Monitor. The reports shall include (a) information required by other Articles and subsections of this Agreement; (b) information about the status of all internal and Government investigations concerning procurement-related matters and all allegations of business ethics or integrity-related misconduct that are pending, resolved, or initiated from the Company's last reporting period; (c) indications of any problems or weaknesses identified by the Program, the corrective action proposed or initiated, and the status of any corrective action; and (d) with respect to each recommendation for improvement included in the Monitor's quarterly report, a summary of the steps taken to implement the recommendation, or an explanation of the reason(s) the Company has not taken any such steps. The first report will be delivered to the Air Force **on or before November 30, 2014**, with subsequent reports following each quarter thereafter through **November 30, 2015**, at which point the Air Force will determine whether less frequent reports are sufficient to accomplish the objectives of this agreement. To the extent permitted by law, including the Freedom of Information Act, said reports shall be deemed confidential to DRC ES, CIS, and the Air Force.

b. **Reports of Misconduct.** DRC ES shall report to the Air Force, within thirty (30) days of discovery by Management, any suspected misconduct that management has reasonable grounds to believe may constitute a violation of U.S. criminal or civil law. The Company shall investigate all reports of such misconduct that come to its attention and shall notify the Air Force of the outcome of such investigations and any potential or actual impact of such misconduct on any aspect of the Company's business. This requirement is in addition to other reporting requirements articulated in this Agreement and any disclosure to an agency Office of the Inspector General and contracting officer (copies of which the Company shall provide to the Air Force) pursuant to FAR 52.203-13.

c. **Internal Investigation.** DRC ES has hired counsel to conduct an internal investigation into identified facts and circumstances underlying the Suspension. DRC ES shall present its findings and plans concerning the investigation to the Air Force on a timely basis.

d. **Notice of Certain Government Actions.** DRC ES shall notify the Air Force within thirty (30) working days if DRC ES' Management learns of: (a) the initiation of any criminal or civil investigation by any U.S. federal, state, or local government entity involving any allegations of U.S. criminal or civil law violations, or any other offenses relating to the Company's business integrity, if the Company has reason to believe it is a target or subject of such investigation; (b) service of subpoenas by any such U.S. governmental entity, if the Company has reason to believe that it is a subject or target of the investigation; (c) service of search warrants and/or searches carried out by any U.S. government entity in any Company facility; or (d) initiation of any legal action against the Company, or any of its Managers, Employees, affiliates, or agents by any U.S. Government entity alleging violations of any U.S. criminal or civil law or any other offenses relating to the Company's business integrity. The Company shall provide to the Air Force as much information as necessary, consistent with applicable law, to allow the Air Force to determine the impact of the investigative or legal activity upon the present responsibility of the Company for Government contracting.

9. **MEETING.** The Air Force, CIS, and the President and CECO of DRC ES shall meet within thirty (30) days of DRC ES' submitting the first quarterly report from its President. Subsequently, between two (2) and four (4) months prior to the expiration of this Agreement, DRC ES' President and CECO shall meet with the Air Force to discuss the status of DRC ES' Program. All meetings may be conducted telephonically or by video teleconference unless the Air Force directs otherwise.

10. **COOPERATION WITH INVESTIGATIONS.** DRC ES shall cooperate fully with all Government agencies responsible for audits and investigations. In addition, DRC ES shall cooperate fully with all Government agencies responsible for corrective actions relating to the stated conduct, circumstances, and representations in the Preamble of this Agreement. The Company agrees that full cooperation shall be judged by the Air Force (or, if appropriate, another Government agency) and shall include, at a minimum, providing unfettered and timely access to Employees, records, documents, electronically-stored information, and other information or evidence to federal law enforcement upon request and without requiring a subpoena. Such full cooperation shall not require DRC ES to waive the attorney-client privilege or work product protection, or any other applicable privileges or protections. In addition, DRC ES agrees to all reasonable steps to make its current and/or former executives, employees,



and consultants (as appropriate) available to testify on behalf of the Government in any criminal or civil proceeding arising out of the investigation(s) described above. With respect to DRC ES' efforts regarding officers, employees and consultants (current or former), it is understood that these individuals may be represented personally by counsel and that DRC ES does not have the ability to require particular behavior by its former officers, employees or any consultants. DRC ES shall not seek to exclude from evidence any non-privileged information it provides to the Air Force (or other Government agency) from any forum including administrative, judicial, or executive.

**11. EMPLOYMENT OF SUSPENDED OR DEBARRED INDIVIDUALS.**

DRC ES instituted or agrees to institute within sixty (60) days a written policy stating that it shall not knowingly employ, with or without pay, an individual who is listed by a Federal Agency as debarred, suspended, or otherwise ineligible for Federal programs. DRC ES shall make reasonable inquiry into the status of any potential employee or consultant. Such reasonable inquiry shall include, at a minimum, review of the System for Award Management List of Parties Excluded from Federal Procurement and Non-procurement Programs. The policy will further provide that, if any employee of DRC ES is charged with a criminal offense relating to federal government contracts or otherwise indicating a lack of business integrity or business honesty, DRC ES will remove that employee immediately from responsibility for, or involvement with, DRC ES' business affairs. DRC ES shall notify CIS and the Air Force of each such personnel action taken, and the reasons therefore, within thirty (30) days of the action.

**12. BUSINESS RELATIONSHIPS WITH SUSPENDED OR DEBARRED ENTITIES.** DRC ES has instituted or agrees to institute within thirty (30) days of this Agreement a written policy stating the Company will not, in connection with any DRC ES Federal, State, or local Government contract, knowingly form a contract with, purchase from, or enter into any business relationship with any individual, business entity, or business entity controlled by an individual that is listed by a Government agency as suspended, debarred, or proposed for debarment. To carry out this policy, DRC ES shall make reasonable inquiry into the status of any potential business partner, to include a review of the System for Award Management List of Parties Excluded from Federal Procurement and Non-procurement Programs to verify the list of parties that are excluded from federal procurement and nonprocurement programs. Notwithstanding any other provision of this paragraph, DRC ES may enter into a business relationship with a suspended or debarred contractor if the Company first determines in writing that a compelling reason justifies the action, and furnishes a copy of that determination to the Air Force within ten (10) days prior to entering into such a business relationship. DRC ES shall not enter into a business relationship with a suspended or debarred entity in connection with any DRC ES Federal, State, or local Government contract if the Air Force objects. In addition to the provisions of this Article, DRC ES shall comply with the requirements of FAR 9.405-2(b), and provide the Air Force a copy of the documents submitted to the contracting officer pursuant thereto.

**13. EMPLOYMENT OF CERTAIN INDIVIDUALS.** DRC ES affirms that it no longer employs any of the four individuals listed in the August 29, 2014 Suspension notice, nor are any of those four individuals involved in the day-to-day management or operations of DRC ES. DRC ES further affirms it will not employ any of those individuals as an employee, agent, or consultant without the express advance written permission of CIS and the Air Force.

14. **UNALLOWABLE COSTS.** DRC ES agrees that all costs, as defined in FAR 31.205-47(a), incurred by, for, or on behalf of the Company or any current or former Employee, affiliate, or agent in connection with: (a) the suspension and this Administrative Agreement; (b) any investigation conducted as a result of the suspension and/or the Administrative Agreement; or (c) the costs of DRC ES' submissions, presentations, reviews by outside consultants and law firms, and appearances before the Air Force Deputy General Counsel for Contractor Responsibility both in the past and throughout the term of the Agreement, shall be expressly unallowable costs for Government contract accounting purposes. However, DRC ES' present and future costs of maintaining, operating, and improving the Company's Program may be allowable costs for purposes of this Agreement.

15. **ADVERSE ACTIONS.** The Company avers that adverse actions taken, or to be taken, by the Company against any Employee or other individual associated with the Company arising out of or related to the conduct at issue here were or are solely the result of the Company's initiatives and decisions and were or are not the result of any action by, or on behalf of, agents or employees of the United States.

16. **PRESENT RESPONSIBILITY.** DRC ES' compliance with the terms and conditions of this Agreement shall constitute an element of the Company's present responsibility for Government contracting. By entering into this Agreement, the Air Force is not determining that DRC ES is presently responsible for any specific Government contract.

17. **NOTICE TO EMPLOYEES.** Within thirty (30) days of the effective date of this Agreement, DRC ES shall provide written notice to all Employees of the relevant facts and substance of this Agreement, and the importance of abiding by the terms of this Agreement and all requirements of applicable laws, regulations, and Company policies and procedures. DRC ES will provide a copy of this notice to the Air Force.

18. **SALE OF BUSINESSES.** If DRC ES sells or in any way transfers ownership of any part of its government business, the Company shall notify the Air Force in advance and shall require the acquiring entity or transferee, as a condition of the sale or transfer, to remain bound by the terms of this Agreement for the duration of this Agreement, including, but not limited to, all reporting requirements.

19. **PURCHASE OF BUSINESSES.** In the event that DRC ES purchases or establishes new business units to serve government customers after the effective date of this Agreement, the Company shall implement all provisions of this Agreement, including all training and education requirements, within sixty (60) calendar days following such purchase or establishment.

20. **WAIVER.** DRC ES hereby waives all claims, demands, or requests for monies from the Government, of any kind or nature including, in law or in equity, that the Company may have or may develop in the future arising from or related to any investigation, or resulting from any administrative or judicial proceedings relating to the facts and circumstances giving rise to the suspension and this Agreement.

21. **RELEASE.** DRC ES hereby releases the United States, its instrumentalities, agents, and employees in their official and personal capacities, of any and all liability or claims arising out of or related to the investigation, the suspension, or the discussions leading to this Agreement.

22. **PARAGRAPH HEADINGS.** The paragraph headings in this Agreement are inserted for convenient reference only and shall not affect the meaning or interpretation of this Agreement.

23. **AIR FORCE RELIANCE.** DRC ES represents that all written materials and other information supplied to the Air Force directly by the Company's authorized representatives or through its counsel during the course of discussions with the Air Force preceding this Agreement are true and accurate to the best information and belief of the Company. DRC ES understands that this Agreement is executed on behalf of the Air Force in reliance upon the truth, accuracy, and completeness of all such representations.

24. **ENTIRE AGREEMENT.** This Agreement constitutes the entire agreement between DRC ES and the Air Force and supersedes all prior agreements and understandings, whether oral or written, relating to the subject matter hereof. This Agreement shall be binding upon and be enforceable by the parties hereto and their respective successors and assigns.

25. **EXTRAORDINARY EVENTS.** If DRC ES is affected by an extraordinary event or circumstance beyond its control, the Company shall not be deemed in breach of this Agreement by reason of delay in performance or non-performance, to the extent that the delay or non-performance is due to an extraordinary event of which DRC ES has timely notified the Air Force.

26. **RESTRICTION ON USE.** DRC ES shall not use any term of this Agreement, the existence of this Agreement, or the termination of the Company's suspension, for any purpose related to the defense or litigation of, or in mitigation of any criminal, civil, or administrative investigation or proceedings. Notwithstanding this provision, DRC ES may share a copy of this agreement with other Government agencies.

27. **BANKRUPTCY.** Bankruptcy proceedings shall not affect the enforcement of this Agreement in the interests of the Government.

28. **AUTHORIZED REPRESENTATIVE.** Mark Stafford is fully authorized to execute this Agreement and represents that he has authority to bind DRC ES.

29. **SEVERABILITY.** In the event that any one or more of the provisions contained in this Agreement shall for any reason be held to be invalid, illegal, or unenforceable in any respect, such invalidity, illegality, or unenforceability shall not affect other provisions of this Agreement.

30. **NOTICES.** Any notices, reports, or information required hereunder shall be in writing and delivered or mailed by registered, certified, or expedited postal or delivery service, with postage prepaid as follows:

If to the Company, to:

Mark Stafford  
President, DRC Emergency Services, LLC  
740 Museum Drive  
Mobile, AL 36608

If to the Air Force, to:

Mr. Rodney A. Grandon  
Deputy General Counsel  
(Contractor Responsibility)  
Department of the Air Force  
1235 S. Clark Street  
Suite 300  
Arlington, VA 22202

Or, to such other name and/or address as either party shall have designated by notice in writing to the other party.

31. **PUBLIC DOCUMENT.** This Agreement and any related Air Force administrative actions and notices are public documents. However, all documents submitted by DRC ES in connection with the underlying administrative action and this Agreement were provided voluntarily for the Air Force to evaluate the Company's present responsibility. DRC ES' submissions may contain sensitive trade secrets or other proprietary information that may cause harm to the Company if released. Accordingly, any release of a DRC ES submission must comply with the Freedom of Information Act or any similar laws, regulations, and Executive Orders. Additionally, the Air Force will collaborate as appropriate with DRC ES to prevent the improper disclosure of the Company's submissions. It is understood that documents submitted by DRC ES may be relevant to related third party proceedings pursuant to FAR Subpart 9.4 that are ongoing before the Air Force, and nothing herein prevents the Air Force from relying on or using any such documents as part of the administrative record in those proceedings and, in such cases, providing copies to the third party respondents in those proceedings.


32. **PROPOSED CHANGES OR MODIFICATIONS TO THIS AGREEMENT.** Changes, amendments, or modifications to this Agreement shall only be made and agreed to by a written document signed by the Air Force and DRC ES. No changes shall be implemented without the prior approval of the Air Force.

**DEPARTMENT OF THE AIR FORCE**

\_\_\_\_\_  
By: Rodney A. Grandon  
Deputy General Counsel (Contractor Responsibility)

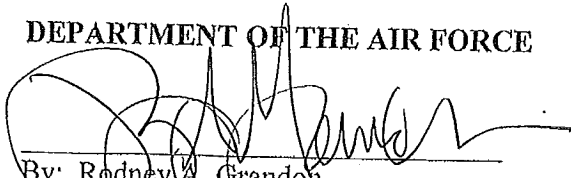
DATE:

**DRC ES LLC**

  
\_\_\_\_\_  
By: Mark Stafford  
President

DATE: 10-1-2014

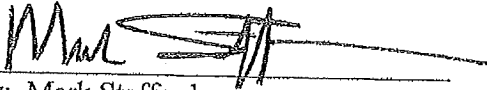
DEPARTMENT OF THE AIR FORCE



By: Rodney A. Grandon  
Deputy General Counsel (Contractor Responsibility)

DATE: October 1, 2014

DRC ES LLC



By: Mark Stafford  
President

DATE: 10-1-2014